



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
-----------------	-------------	----------------------	---------------------	------------------

09/880,170

06/12/2001

Olga Milosavljevic

SCHB-4100

5814

20350

7590

03/22/2007

TOWNSEND AND TOWNSEND AND CREW, LLP
TWO EMBARCADERO CENTER
EIGHTH FLOOR
SAN FRANCISCO, CA 94111-3834

EXAMINER

HARBECK, TIMOTHY M

ART UNIT

PAPER NUMBER

3692

SHORTENED STATUTORY PERIOD OF RESPONSE	MAIL DATE	DELIVERY MODE
--	-----------	---------------

3 MONTHS

03/22/2007

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

If NO period for reply is specified above, the maximum statutory period will apply and will expire 6 MONTHS from the mailing date of this communication.

Office Action Summary	Application No. 09/880,170	Applicant(s) MILOSAVLJEVIC ET AL.	
	Examiner Timothy M. Harbeck	Art Unit 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 December 2006.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-7, 9-22 and 34-38 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-7, 9-22 and 34-38 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Continued Examination Under 37 CFR 1.114

A request for continued examination under 37 CFR 1.114, including the fee set forth in 37 CFR 1.17(e), was filed in this application after final rejection. Since this application is eligible for continued examination under 37 CFR 1.114, and the fee set forth in 37 CFR 1.17(e) has been timely paid, the finality of the previous Office action has been withdrawn pursuant to 37 CFR 1.114. Applicant's submission filed on 12/19/2006 has been entered.

DETAILED ACTION

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-7, 9, 11-22 and 34-35 are rejected under 35 U.S.C. 103(a) as being unpatentable over Corrin (US 2002/0035527 A1) in view of Longo (Tracey Longo. "The First Cut is the Cheapest: Retirement distributions can come from many sources, IRAs, 401(k)s, and so on. Knowing where to start can prolong earnings growth." Financial Planning. New York: Apr 1, 1999. pg 1).

Re Claim 1: Corrin discloses a system for relating investment account information to an investment objective comprising:

Art Unit: 3692

- Inputting said income withdrawal goal (paragraph 0028), said estate goal (paragraph 0044), said years in retirement goal (0073, 0186)), and a current asset allocation (0029) and identifying one of said in-retirement goals as a priority goals as a priority goal (0010-0011, 0028-0030)
- Performing an analysis based on said in-retirement goals and said current asset allocation (paragraph 0010)
- Forecasting, by using the results of said analysis, said likelihood that said customer assets at retirement meet said priority goal (paragraph 0010, paragraphs 0129-0176)

Corrin does not explicitly disclose the step of:

- Providing an in-retirement income stream withdrawal strategy, wherein said income stream strategy withdrawal provides tax advantages and wherein said income stream withdrawal provides for a first time period and said income stream withdrawal strategy avoids withdrawal of assets from tax deferred accounts during the first time period; and said income stream withdrawal strategy providing for withdrawal from one or more tax deferred accounts during a second time period
- Providing a findings overview report based on said analysis, wherein the findings report includes the in-retirement goals, and the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, and the findings overview report further including an assed drawn down schedule which shows predicted end of year balance

Art Unit: 3692

inherently based on an estimate of the number of years spent in-retirement. Otherwise there would be no way to estimate how long the balance at retirement would last at this pace. It would have been obvious to a person of ordinary skill to include this step to Corrin in view of Longo so that users are fully aware of how far their assets can extend into retirement (See paragraphs 0095-0096)

Re Claim 2: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said forecasting is based on outside (paragraph 0279-0282) and inside holdings (paragraph 0029 "current account balance.")

Re Claim 3: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step of projecting annual snapshot cash flows from said current asset allocation and determining if a gap exists between projected cash flows and said income goal (paragraphs 0137-0138)

Re Claim 4: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said cash flows comprise dividend and interest sources (0048) and non-fluctuating sources (0086-0093)

Re Claim 5: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said dividend and interest sources comprise equity dividend, fixed income, and cash payments (0261 and 0280-0283)) and wherein said non-fluctuating sources comprise income property, social security, and pension payments (0086-0093)

for each of the plurality of different types of customer accounts if the in-retirement strategy is followed

Longo discloses a system for a retirement strategy for tax efficient withdrawals wherein assets are drawn first from taxable accounts followed, at a later time by withdrawing from tax deferred accounts (See Abstract and entire article). It would have been obvious to a person of ordinary skill in the art at the time of invention to include the teachings of Longo to the disclosure of Corrin so that a person in retirement can extend the life of their assets and achieve the most efficient withdrawal strategy possible.

In addition, Corrin discloses a findings overview based on said analysis (0010-0013), the likelihood that the in-retirement goal will be met (0011 'determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance and monitors and reevaluates their progress). While not explicitly disclosing an asset drawn down schedule that shows a predicted end of year account balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed, Corrin does note that an attainable retirement income goal of 100% projected inflation adjusted ending salary (0030), income provided by current strategy at retirement (0046) and cash flows for IRAs and other outside investments (i.e different types of customer accounts 0048). While not explicitly disclosing the predicted end of year balance for each account if the withdrawal strategy is followed, this step would have been obvious to a person of ordinary skill in the art. The 100% inflation adjusted retirement goal is

Re Claim 6: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step further comprising providing a current performance planning table , wherein said table allows for assessing approximate current yield and total return information in order to determine which holdings of said assets provide cash flows versus growth required to meet said in-retirement goals (0084-0141)

Re Claim 7: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses the step comprising a current summary showing a breakdown of said cash flows into said dividend and interest sources (0144-0150), said non-fluctuating sources (0097-0102), total cash flow and said income goal (0137-0138)

Re Claim 9: Corrin in view of Longo discloses the claimed method supra and while not explicitly disclosing the step wherein said withdrawal strategy further comprises designating when and how much to withdraw from taxable, 401K, traditional IRA and Roth IRA accounts, this step would have been obvious to anyone of ordinary skill in the art at the time of invention as it was notoriously well known. For example, there are tax-related penalties related to the early withdrawal of funds from a Roth IRA account. If a user withdraws funds before the age of 59 ½ years there is a steep tax placed on the amount of withdrawal. Therefore, a prudent withdrawal strategy would be to refrain from withdrawing from this account until the appropriate time, and furthermore if it was vital for funds to be withdrawn, the strategy would further call for an amount

representing the absolute minimum be withdrawn so that the remainder of the money in the account can continue to accumulate.

Re Claim 11: Corrin in view of Longo discloses the claimed method supra and while the references do not explicitly disclose the step comprising determining required minimum distribution income streams based on total value of tax deferred assets, this step would have been obvious to anyone of ordinary skill in the art, as such withdrawals were required by law. For example, in a traditional IRA, which is tax deferred, participants are required to make withdrawals at the age of 70 ½, so that the earnings can be taxed out. The minimum withdrawal is a rate based on life expectancy and therefore the amount of withdrawal would necessarily depend on the total value of the assets. Since these withdrawals are mandatory, it would therefore further be obvious to factor these into the withdrawal strategy, or else said strategy will ultimately become inaccurate.

Re Claim 12: Corrin in view of Longo discloses the claimed method supra and Corrin further discloses a report showing annual tax-deferred account withdrawals and year-end tax deferred account balances (0216-0220).

Re Claim 13: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses providing financial (0211; increase contribution) and non-financial (0228 "increase working years") alternatives in order to attempt to increase said likelihood of meeting retirement goals.

Re Claim 14: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said non-financial

Art Unit: 3692

alternatives increase said likelihood by requiring a relaxing of at least one of said in-retirement goals (0028). In increasing the working years before retirement, the user is essentially decreasing the total number of years the user intends to spend in retirement.

Re Claim 15: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein said financial alternatives attempt to increase said likelihood by altering said asset allocation and thereby assuming a better diversified portfolio (0259-0261).

Re Claim 16: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses a report showing said in-retirement goals and said likelihood versus said modified in-retirement goals, said modified in-retirement goals comprising said at least one of said relaxed in-retirement goals, and showing said subsequent possible increased likelihood (0263-0278).

Re Claim 17: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses a report showing said in-retirement goals and said likelihood versus said altered asset allocation, and showing said subsequent possible increased likelihood (0213-0216 and 0263-0278)

Re Claim 18: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein asset allocation preferences are incorporated (0260-0262).

Re Claim 19: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses providing action plans for

Art Unit: 3692

attempting to increase said likelihood, said action plans comprising means for conveying whether to buy or sell said assets (0259-0262).

Re Claim 20: Corrin in view of Longo discloses the claimed method and Corrin discloses the claimed method supra and further discloses wherein each asset class holding are separated from each other small company holdings are separated from large, international and fixed income company holdings (0261).

Re Claim 21: Corrin discloses a system for relating investment account information to an investment objective comprising:

- Inputting said withdrawal goal (paragraph 0072-0073), said estate goal (paragraph 0044), said years in retirement goal (0073, 0186)), and a current asset allocation (0029)
- Performing an analysis based on said goals and said current asset allocation (paragraph 0010)
- Forecasting, by using the results of said analysis, said likelihood that said assets at retirement meet said client defined priority goal in retirement goals (paragraph 0010, paragraphs 0129-0176)
- Providing an ability to perform alternative analysis by modifying said in-retirement goals (0189-0258)

Corrin does not explicitly disclose the step of:

- Providing an in-retirement income stream withdrawal strategy, wherein said income stream strategy provides tax advantages and wherein said income stream withdrawal provides for a first time period and said income

stream withdrawal strategy avoids withdrawal of assets from tax deferred accounts during the first time period; and said income stream withdrawal strategy providing for withdrawal from one or more tax deferred accounts during a second time period

- Providing a findings overview report based on said analysis, wherein the findings report includes the in-retirement goals, and the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, and the findings overview report further including an assed drawn down schedule which shows predicted end of year balance for each of the plurality of different types of customer accounts if the in-retirement strategy is followed

Longo discloses a system for a retirement strategy for tax efficient withdrawals wherein assets are drawn first from taxable accounts followed, at a later time by withdrawing from tax deferred accounts (See Abstract and entire article). It would have been obvious to a person of ordinary skill in the art at the time of invention to include the teachings of Longo to the disclosure of Corrin so that a person in retirement can extend the life of their assets and achieve the most efficient withdrawal strategy possible.

In addition, Corrin discloses a findings overview based on said analysis (0010-0013), the likelihood that the in-retirement goal will be met (0011 'determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance and monitors and reevaluates their progress). While not explicitly disclosing an asset drawn down schedule that shows a predicted

Art Unit: 3692

end of year account balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed, Corrin does note that an attainable retirement income goal of 100% projected inflation adjusted ending salary (0030), income provided by current strategy at retirement (0046) and cash flows for IRAs and other outside investments (i.e different types of customer accounts 0048). While not explicitly disclosing the predicted end of year balance for each account if the withdrawal strategy is followed, this step would have been obvious to a person of ordinary skill in the art. The 100% inflation adjusted retirement goal is inherently based on an estimate of the number of years spent in-retirement. Otherwise there would be no way to estimate how long the balance at retirement would last at this pace. It would have been obvious to a person of ordinary skill to include this step to Corrin in view of Longo so that users are fully aware of how far their assets can extend into retirement (See paragraphs 0095-0096)

Re Claim 22: Corrin in view of Longo discloses the claimed method supra and Corrin further discloses wherein said forecasting is based on outside (paragraph 0279-0282) and inside holdings (paragraph 0029 "current account balance.")

Re Claims 34 and 35: Further system claims would have been obvious in order to implement previously rejected method claims 21 and 22 respectively and are therefore rejected using the same art and rationale.

Re Claim 36-38: Corrin in view of Longo discloses the claimed method supra and Corrin further discloses a performance planning report which identifies each of the assets held in the customer accounts and provides a projected annual cash flow (0046,

Art Unit: 3692

0048), an approximate current yield (0264), a historical total return (0029, 0037 'expected growth), and an approximated current value for each asset (0087), to assist the customer in assessing their assets on an income versus growth basis.

Response to Arguments

Applicant's arguments filed 12/19/2006 have been fully considered but they are not persuasive.

Applicant has argued their position that Corrin and Longo do not disclose the amended limitations. However the examiner feels that Corrin teaches or suggests many of these limitations, and in combination with the previous discussion of Longo concerning draw down schedules, is sufficient to maintain the same art for the current rejection.


Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Timothy M. Harbeck whose telephone number is 571-272-8123. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Richard Chilcot can be reached on 571-272-6777. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3692

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.


FRANTZY POINVIL
PRIMARY EXAMINER
AUG 3 6 92